GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:94
ANSWERED ON:19.07.2002
VALUE OF RUPEE
SAMUDRALA VENUGOPAL CHARY

Will the Minister of FINANCE be pleased to state:

(a): whether the value of rupee against the US dollar has fallen to an all times low in May, 2002;

(b): if so, the lowest value in this year;

(c): the value of rupee against major foreign currencies; and

(d): the action taken or proposed to be taken by the Government to stabilise the value of rupee against US dollar?

Answer

MINISTER OF FINANCE & COMPANY AFFAIRS (SHRI JASWANT SINGH)

(a), (b),(c) & (d) : A statement is placed on the Table of the House.

Statement referred to in reply to parts (a) to (d) of the Lok Sabha Starred Question No. 94 regarding `Value of Rupee` for answer on 19-07-2002.

(a) & (b): Yes, Sir. The exchange rate of the rupee against the US dollar reached Rs 49.06 on 16th May, 2002. This was the lowest rate in the current year.

(c): The monthly average exchange rates of the rupee against major world currencies from January2002, to June 2002, are given below.

Month (Period Avg.)	Rs./ US dollar (Period Avg.)	Rs./Yen # (Period Avg.)	Rs.Euro (Period Avg.)	Rs./Pound Stg. (Period Avg.)
January, 2002	48.33	36.47	42.77	69.38
February, 2002	48.69	36.46	42.36	69.28
March, 2002	48.74	37.23	42.75	69.37
April, 2002	48.92	37.38	43.30	70.53
May, 2002	49.00	38.76	44.93	71.53
June, 2002	48.97	39.65	46.74	72.57

Rupees per 100 Yen.

(d): The movements in exchange rate of the rupee are largely determined by demand and supply conditions in the foreign exchange market. The developments in the financial markets in India, and abroad, are monitored closely both by the Government and the Reserve Bank of India and appropriatemeasures are taken, when necessary, to reduce excessive volatility in the exchange rate, prevent emergence of destabilizing speculative activities, develop an orderly foreign exchange market condition and to help maintain adequate level of foreign exchange reserves.